BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION OFFICE OF THE SEGRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

UNITED STATES POSTAL SERVICE
INTERROGATORY AND REQUEST FOR PRODUCTION OF DOCUMENTS TO
UNITED PARCEL SERVICE WITNESS SELLICK
(USPS/UPS-T2-2)

Pursuant to rules 25 through 27 of the Rules of Practice and procedure, the United States Postal Service directs the following interrogatory and request for production of documents to United Parcel Service witness Sellick: USPS/UPS-T2-2.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Susan M. Duchek

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260–1137 (202) 268–2990 Fax –5402 June 19, 2000

USPS/UPS-T2-2. Please refer to your testimony, UPS-T-2, at page 5, lines 2-6. You state, "The 'migration' of some costs previously defined as Window Service (and assigned to Cost Segment 3.2) and Administrative (and assigned to Cost Segment 3.3) should be reversed to ensure treatment consistent with the Commission's established practice." Please also refer to your Docket No. R97-1 response to USPS/UPS-T2-17 (Docket No. R97-1, Tr. 26/14222), where you stated that you "have not testified that the existing [pre-Docket No. R97-1] method for distributing administrative costs is more accurate than witness Degen's proposed methodology."

- a. Please explain whether it is still the case that, as you stated in Docket No. R97-1, your current testimony, UPS-T-2, does not indicate "that the existing [pre-Docket No. R97-1] method for distributing administrative costs is more accurate than witness Degen's proposed methodology."
- b. If your response to part (a) indicates that you now believe that there is a reason (or reasons) to reverse the "migration" of costs, other than "to ensure treatment consistent with the Commission's established practice," please state and describe fully each reason, and provide all related data and/or analysis that supports your position.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Susan M. Duchek

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